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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[DOCKET NUMBER USTR-2017-0009]

**Results of the 2016/2017 Annual Generalized System of Preferences Review and
Initiation of a Country Practice Review of Bolivia**

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: The Office of the United States Trade Representative (USTR) is announcing the results of the 2016/2017 Annual Generalized System of Preferences (GSP) Review with respect to: products considered for addition to the list of eligible products for GSP; products considered for removal from the list of eligible products for certain beneficiary countries; decisions related to competitive need limitations (CNLs), including petitions for waivers of CNLs; and requests for re-designations of products previously excluded from GSP eligibility for certain countries. USTR also is announcing the initiation of a country practice review regarding child labor in the Plurinational State of Bolivia (Bolivia) including the schedule for public comments and a public hearing.

DATES: September 26, 2017: The GSP Subcommittee of the Trade Policy Staff Committee (TPSC) will convene a public hearing on the GSP country practice review of Bolivia in Rooms 1 and 2, 1724 F Street NW, Washington DC 20508, beginning at 10:00 am.

September 5, 2017 at midnight EST: Deadline for submission of comments, pre-hearing briefs and requests to appear at the September 26, 2017, public hearing.

October 17, 2017 at midnight EST: Deadline for submission of post-hearing briefs.

ADDRESSES: USTR strongly prefers electronic submissions made through the Federal eRulemaking Portal: <https://www.regulations.gov>. Follow the instructions for submitting comments in section C.3 below. The docket number is USTR-2017-0009. For alternatives to on-line submissions, please contact Naomi Freeman at (202) 395-2974.

FOR FURTHER INFORMATION CONTACT: Direct all questions regarding this notice to Naomi Freeman, Director for GSP at (202) 395-2974 or Naomi_S_Freeman@ustr.eop.gov. The fax number is (202) 395-9674.

SUPPLEMENTARY INFORMATION:

A. Background

The GSP program provides for the duty-free treatment of designated articles when imported from beneficiary developing countries. The GSP program is authorized by Title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.), as amended, and is implemented in accordance with Executive Order 11888 of November 24, 1975, as modified by subsequent Executive Orders and Presidential Proclamations.

B. Results of the 2016/2017 Annual GSP Review

In the 2016/2017 Annual GSP Review, the TPSC reviewed (1) petitions to add seven products to the list of those eligible for duty-free treatment under GSP; (2) a petition to remove the GSP eligibility of one product; (3) a petition to waive the CNL for a product from a beneficiary country; (4) products eligible for de minimis waivers of CNLs; and (5) requests for re-designation of products previously excluded from GSP eligibility for certain beneficiary countries.

In Presidential Proclamation 9625 of June 29, 2017, the President implemented his decisions regarding GSP product eligibility issues arising out of the 2016/2017 Annual GSP Review, including CNL waivers and product re-designations. This notice provides further information on the results of the 2016/2017 Annual GSP Review. You can view these results, comprising five lists, <https://www.regulations.gov> in docket USTR-2016-0009, under “Supporting and Related Materials” and at <https://ustr.gov/issue-areas/preference-programs/generalized-system-preferences-gsp/current-reviews/gsp-20162017>.

The President added 23 travel and luggage goods products to the list of products eligible for duty-free treatment for all beneficiary developing countries (BDCs). The President also added rolled or flaked grains of cereals, other than barley or oats (HTS 1104.19.90); saturated acyclic monocarboxylic acids (HTS 2915.90.18); finishing agents, dye carriers and other preparations used in leather and like industries, <5% by weight aromatic (mod.) substance(s) (HTS 3809.93.50); cellulose nitrates (including collodions), in primary forms (also referred to as nitrocellulose) (HTS 3912.20.00); and essential oils of lemon (HTS 3301.13.00), to the list of products eligible for duty-free treatment for all BDCs. The last product was deferred from the 2015/2016 annual review. The petitions to

make pineapples, otherwise prepared or preserved (HTS 2008.20.00) eligible for duty free treatment under GSP and to make high-carbon ferromanganese (HTS 7202.11.50) eligible for duty free treatment under GSP for all BDCs were denied. See List I (Decisions on Petitions to Add a Product to the List of Eligible Products for GSP).

The President removed glycine (HTS 2922.49.40.20) from GSP eligibility for all BDCs. See List II (Decision on Petition to Remove a Product from GSP eligibility). To reflect this change, glycine imported into the United States now falls under the new HTS 2922.49.43. Articles that exceeded the CNLs in 2016 and that, effective July 1, 2017, are excluded from GSP eligibility when imported from a specific beneficiary country are described in List III (Products Newly Subject to Exclusion by Competitive Need Limitation). These products are HTS 2933.99.22, other heterocyclic aromatic or modified aromatic pesticides with nitrogen hetero-atom(s) only, from India; and 6801.00.00 setts, curbstones and flagstones, of natural stone (except slate) from Turkey.

The President granted a petition for a waiver of the CNL for coniferous wood continuously shaped along any of its ends, whether or not also continuously shaped along any of its edges or faces (HTS 4409.10.05) from Brazil. See List IV (Products Receiving a Waiver of the Competitive Need Limitation).

The President granted de minimis waivers to 100 articles that exceeded the 50-percent import-share CNL but for which the aggregate value of all U.S. imports of that article was below the 2016 de minimis level of \$23 million. See List V (Decisions on Products Eligible for De Minimis Waivers). The articles for which de minimis waivers were granted will continue to be eligible for duty-free treatment under GSP when imported from the associated countries. No products previously excluded from GSP

eligibility for certain countries were re-designated as eligible for GSP as a result of the 2016/2017 Annual Review.

C. Initiation of a Country Practice Review of Bolivia

1. Background

The GSP Subcommittee of the TPSC will lead a review of the eligibility of Bolivia for benefits under the GSP. The GSP Subcommittee will review Bolivia's implementation of its commitments to eliminate the worst forms of child labor, and the steps it has taken to afford internationally recognized worker rights, including a minimum age for the employment of children pursuant to the Trade Act of 1974, 19 U.S.C. 2462(b)(2)(H) and 19 U.S.C. 2462(b)(2)(G), respectively. The country practice review is undertaken on the recommendation of the TPSC pursuant to 15 CFR 2007.0(f). According to public reporting by the U.S. Department of Labor and the U.S. Department of State, the Government of Bolivia, in 2014, adopted a new Code for Children and Adolescents, which amended the previous code to lower the working age for children to 10 years old for self-employed workers, and to 12 years old for those in an employment relationship, under certain situations. U.S. government reporting also notes concerns about Bolivia's efforts to enforce its national labor laws and to make effective protections for working children as provided for in its labor laws. According to the U.S. Department of Labor's 2015 Findings on the Worst Forms of Child Labor, <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/bolivia>, the Offices of the Child Advocate, which are required by the Code for Children and Adolescents to authorize child work and assist victims of child labor, are absent or underfunded in many

municipalities, leaving some children potentially unprotected and vulnerable to the worst forms of child labor. Additionally, the report questions whether the number of labor inspectors is sufficient to inspect for violations of child labor laws nationwide. Bolivia's changes to its labor laws, and the extent of Bolivia's efforts to combat child labor and eliminate the worst forms of child labor, raise questions about the compliance of Bolivia's laws and practices with mandatory country eligibility criteria as defined in 19 U.S.C. 2462(b)(2)(H)-(G).

In undertaking the review, the TPSC also notes discussions held in international fora, such as the International Labor Organization, public media reporting, and public reporting by non-governmental organizations. The goal of this action is to review Bolivia's child labor laws and practices to determine whether Bolivia's current law and practices meet the GSP eligibility criteria.

2. Notice of Public Hearing

The GSP Subcommittee will hold a hearing on September 26, 2017, beginning at 10:00 am, to receive information regarding the country practice review of Bolivia. The hearing will be held in Rooms 1 and 2, 1724 F Street NW, Washington DC 20508 and will be open to the public and to the press. We will make a transcript of the hearing available on <https://www.regulations.gov> within approximately two weeks after the date of the hearing.

All interested parties wishing to make an oral presentation at the hearing must submit, following the "Requirements for Submissions" set out below, the name, address, telephone number, and email address, if available, of the witness(es) representing their

organization by midnight on September 5, 2017. Requests to present oral testimony must be accompanied by a written brief or summary statement, in English. The GSP Subcommittee will limit oral testimony before the GSP Subcommittee to five-minute presentations that summarize or supplement information contained in briefs or statements submitted for the record. The GSP Subcommittee will accept post-hearing briefs or statements if they conform with the requirements set out below and are submitted in English, by midnight on October 17, 2017. Parties not wishing to appear at the public hearing may submit pre-hearing and post-hearing briefs or comments by these deadlines.

In order to be assured of consideration, you must submit all post-hearing briefs or statements by the October 17, 2017 deadline to docket number USTR-2017-0009 via <https://www.regulations.gov/>. However, if there are new developments or information that parties wish to share with the GSP Subcommittee after this date, the regulations.gov docket will remain open until a final decision is made. Post all comments, letters, or other submissions related to Bolivia's eligibility review to docket number USTR-2017-0009 via <https://www.regulations.gov/>.

3. Requirements for Submissions

All submissions in response to this notice must conform to the GSP regulations set forth at 15 CFR part 2007 (<https://www.ecfr.gov/cgi-bin/text-idx?SID=271bd12a5ef9cae0c4c178d1131ac292&mc=true&node=pt15.3.2007&rgn=div5>), except as modified below.

The GSP Subcommittee strongly encourages on-line submissions, using the <https://www.regulations.gov> website. All submissions must be in English and must be

transmitted electronically via www.regulations.gov using docket number USTR–2017–0009. To make a submission via www.regulations.gov, enter docket number USTR-2017-0009 on the home page and click “search.” The site will provide a search-results page listing all documents associated with this docket. Find a reference to this notice and click on the link entitled “Comment Now!” For further information on using the www.regulations.gov website, please consult the resources provided on the website by clicking on “How to Use Regulations.gov” on the bottom of the home page. We will not accept hand-delivered submissions.

The <https://www.regulations.gov> website allows users to provide comments by filling in a “Type Comment” field, or by attaching a document using an “Upload File” field. The GSP Subcommittee prefers that you provide submissions as an attached document. If a document is attached, please type “GSP Review of Bolivia” in the “Type Comment” field. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf) format. If the submission is in another file format, please indicate the name of the software application in the “Type Comment” field. File names should reflect the name of the person or entity submitting the comments. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file as the comment itself, rather than submitting them as separate files. Submissions should not exceed 30 single-spaced, standard letter-size pages in 12-point type, including attachments.

For any comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the

characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page and the submission should clearly indicate, via brackets, highlighting, or other means, the specific information that is business confidential. A filer requesting business confidential treatment must certify that the information is business confidential and would not customarily be released to the public by the submitter. Additionally, the submitter should type “Business Confidential GSP Review of Bolivia” in the “Type Comment” field. Filers of submissions containing business confidential information also must submit a public version of their comments that we will place in the docket for public inspection. The file name of the public version should begin with the character “P”. The “BC” and “P” should be followed by the name of the person or entity submitting the comments. Filers submitting comments containing no business confidential information should name their file using the name of the person or entity submitting the comments.

You will receive a submission tracking number upon completion of the submissions procedure at <https://www.regulations.gov>. The tracking number is your confirmation that the submission was received into <https://www.regulations.gov>. The GSP Subcommittee is not able to provide technical assistance for the website. The GSP Subcommittee may not consider documents that are not submitted in accordance with these instructions.

As noted, the GSP Subcommittee strongly urges submitters to file comments through www.regulations.gov. You must make any alternative arrangements with Naomi Freeman in advance of transmitting a comment. You can contact Ms. Freeman at (202) 395-2974.

We will post comments in the docket for public inspection, except business confidential information. You can view comments on the <https://www.regulations.gov> website by entering the relevant docket number in the search field on the home page.

Erland Herfindahl

Deputy Assistant U.S. Trade Representative for the Generalized System of Preferences and Chair of the GSP Subcommittee of the Trade Policy Staff Committee

Office of the U.S. Trade Representative.

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